# IN THE COURT OF COMMON PLEAS FRANKLIN COUNTY, OHIO

State of Ohio, et al.,

Plaintiff,

Case No. 18 CV 001864

v.

Judge Jeffrey M. Brown

Precourt Sports Ventures LLC, et al.,

Defendants.

# PLAINTIFF CITY'S MOTION TO TOLL O.R.C. 9.67 SIX MONTH NOTICE PERIOD

Plaintiff City of Columbus (the "Plaintiff" or "City"), by and through counsel, respectfully moves this Court for an order tolling the six-month time period in Ohio Revised Code Section ("R.C.") 9.67 to protect the investment of the people of Ohio by enforcing Ohio law, which requires a reasonable opportunity for local investors to purchase the Columbus Crew SC soccer team.

More specifically, the Plaintiff's request would preserve the "opportunity to purchase" of the Plaintiff (or a group of individuals residing in central Ohio) until the central legal questions involving the statute have been fully resolved, either by agreement of the parties or until final resolution of this lawsuit, including any final appeals to the courts of highest authority. A Memorandum in Support follows.

### Respectfully submitted,

## ZACH KLEIN Columbus City Attorney

#### /s/ Joshua T. Cox

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# COUNSEL FOR THE CITY OF COLUMBUS

#### **MEMORANDUM IN SUPPORT**

#### I. INTRODUCTION

For twenty-three (23) years, the Defendants took and used public money to support a privately-owned soccer team and its facilities. But, there were strings attached to this money—and the Defendants knew it. In 1996 (seventeen (17) years before Precourt Sports Ventures, LLC became the operator/investor of the Crew), the people of Ohio, through their elected representatives, passed R.C. 9.67 which gives the "owner" of a professional sports team a choice if it decides to "cease playing most of its home games" at a publicly-supported sports facility: Either the owner must obtain "an agreement with the political subdivision . . . to play most its home games elsewhere," or it must provide "not less than six months' advance notice of the owner's intention" in order to give the "political subdivision or any individual or group of individuals who reside in the area" a reasonable "opportunity to purchase the team."

And now they seek to use the litigation to run the clock on the notice period, hoping to render the City's rights moot, while challenging the applicability of the statute. Further, the sixmonth notice period in R.C. 9.67 will be rendered meaningless if it expires during the pendency of this lawsuit.

Indeed, on March 16, 2018, the Defendants collectively responded to the lawsuit with a letter to the Mayor of Columbus, Andrew Ginther (the "Precourt Letter"). A copy of the Precourt Letter is attached hereto as Exhibit A. After misguidedly asserting that R.C. 9.67 does not apply to the Defendants, the Precourt Letter states that Defendants believe they provided the notice required under R.C. 9.67 on three separate occasions: (1) on October 17, 2017, in an oral announcement in a press conference to reporters that the Defendants "would pursue the possible

relocation of Crew SC" (which contradicts the actual statements made at the press conference);<sup>1</sup> (2) in a meeting on November 15, 2017, between the Defendants and Mayor Ginther; and, (3) in the alternative, that notice was provided pursuant to the Precourt Letter. If notice was proper under any one of these scenarios (which Plaintiff in no way concedes), the six-month clock has already started ticking. And, under the first and second scenario, the six-month time period would be drawing to a close on April 17, 2018, and May 15, 2018, respectively.<sup>2</sup>

Simply stated, equity will not permit such a result. Ohio courts have long used their equitable powers to toll statutory and other deadlines to prevent unjust results. As set forth below, equitable tolling of the six-month notice period and its concomitant rights is necessary to:

(i) protect the very taxpayers whose money was used to support the Crew; (ii) prevent the Defendants from circumventing Ohio law; and, (iii) ensure that local investors have a reasonable opportunity to purchase the Crew.

#### II. FACTUAL AND PROCEDURAL BACKGROUND

#### A. Procedural Background

## 1. Public Benefits provided to the Crew.

This case centers on the effort by Major League Soccer, LLC ("MLS") and Precourt Sports Ventures, LLC ("PSV") to move the Columbus Crew SC (the "Crew") to Texas without complying with R.C. 9.67—a statute enacted by the General Assembly in June 1996.

<sup>&</sup>lt;sup>1</sup> See Transcript of October 17, 2017 press conference, which can be accessed at <a href="https://www.columbuscrewsc.com/post/2017/10/17/transcript-anthony-precourt-dave-greeleys-media-conference-call">https://www.columbuscrewsc.com/post/2017/10/17/transcript-anthony-precourt-dave-greeleys-media-conference-call</a>. Notably, the transcript of this press conference is available on the Crew's website and confirms that Mr. Precourt confirmed: (i) "No relocation decision has been made"; (ii) the long term options for the club."

<sup>&</sup>lt;sup>2</sup> The six-month clock will also continue to tick if Defendants challenge the applicability of the statute (as highlighted in the Precourt Letter).

In 1998, the Crew entered into a twenty-five (25) year lease with the State of Ohio for land owned by the Ohio Expo Center for the construction of what was to become Mapfre Stadium. Am. Compl. ¶ 22. The State of Ohio has provided approximately \$5,000,000 in taxpayer-funded improvements to the parking facilities at Mapfre Stadium, allowed the Crew to receive the benefits of a state property tax exemption for the land on which Mapfre Stadium sits, id. ¶ 9, and leases the land that Mapfre Stadium sits on to the Crew and its affiliates at a below-market rate. Id. And, in 2006, Ohio granted the Crew tax exempt status. As a result, all taxes, penalties, and interest paid by the Crew from 1998 through 2005 were remitted, and the Crew has not paid property tax since. Id. at ¶ 23.

In addition, the City of Columbus provided \$300,000 in taxpayer-funded reimbursements to offset the costs of moving portions of a storm sewer and constructing a water line to serve Mapfre Stadium. *Id.* ¶ 10. The City has also extended Silver Drive to increase access to Mapfre Stadium by way of a Tax Increment Financing ("TIF") and Economic Development Agreement at a current cost of more than \$1,300,000 in city taxpayer-funds. *Id.* ¶ 10.

### 2. The Defendants' conduct.

J. Anthony Precourt, the chief executive officer of PSV, became the investor-operator of the Crew in July 2013. At the press conference introducing Mr. Precourt, he assured the central Ohio community that the Crew would remain in Columbus, stating: "I think it was very important to the Hunt family and to Major League Soccer that the Crew would remain in Columbus... We're very committed to that."

Just over four (4) years later, Mr. Precourt delivered an ultimatum: Either the Plaintiffs agree to the construction of a new stadium in downtown Columbus (Am. Compl., ¶ 2), or he

 $<sup>^{3}\ \</sup>underline{\text{http://www.dispatch.com/content/stories/sports/2013/07/30/1-crew-announcement.html}}.$ 

would relocate the Crew. On December 8, 2017, Ohio Attorney General Mike DeWine sent written notice to Mr. Precourt stating that, "in light of continued accounts that you are 'exploring . . . potentially relocating the Club to the city of Austin, Texas,' I write to reiterate your obligation under Ohio Law," in reference to the statutory requirements in R.C. 9.67. Am. Compl., ¶ 3.

On March 5, 2018, after months of silence from PSV and MLS, and still having not received notice under R.C. 9.67, the City of Columbus and State of Ohio jointly filed a lawsuit to ensure compliance with R.C. 9.67 in part to ensure that a local individual or group of individuals had the full benefit of the six-month time period in the statute to exercise the "opportunity to purchase." Id., ¶ 8.

On March 16, 2018, the Defendants collectively responded to the lawsuit with the Precourt Letter to the Mayor of Columbus. Among other things, the Precourt Letter stated that Defendants: (1) intended to challenge the applicability of R.C. 9.67; (2) notice under R.C. 9.67 had been orally given on either October 17, 2017, (at the above-referenced press conference) or at a November 15, 2017, meeting between the Defendants and Mayor Ginther; and, (3) in the alternative, that notice was provided pursuant to the Precourt Letter.

The Precourt Letter reveals the Defendants' strategy: To use this litigation to run the clock on their statutory obligation to provide the six (6) months advance notice and any opportunity for the City or local investors to purchase the team (which necessarily must include a chance for that investor to confidentially analyze the financial records of the owner of the Crew in order to make a fair and reasonable offer to purchase). This strategy, however, would forever deprive the citizens of Ohio of the rights conferred upon them by R.C. 9.67, knowing that the time period likely would expire during the pendency of this litigation.

#### III. LAW AND ARGUMENT

"Affectionately" known as the Modell Law, R.C. 9.67 places certain reasonable restrictions on owners of professional sports teams in Ohio that use "tax-supported" stadiums in the event the team wants to start playing the majority of its home games somewhere else—whether inside or outside of the State of Ohio.

#### R.C. 9.67 provides:

No owner of a professional sports team that uses a tax-supported facility for most of its home games and receives financial assistance from the state or a political subdivision thereof shall cease playing most of its home games at the facility and begin playing most of its home games elsewhere unless the owner either:

- (A) Enters into an agreement with the political subdivision permitting the team to play most of its home games elsewhere; or
- (B) Gives the political subdivision in which the facility is located not less than six months advance notice of the owner's intention to cease playing most of its home games at the facility and, during the six months' after such notice, gives the political subdivision or any individual or group of individuals who reside in the area the opportunity to purchase the team.

The Defendants are fully aware of this longstanding statute, which requires only that if the Crew seeks to re-locate to play more than half of its home games at another facility, then its actual "owner" needs to: (1) provide "not less than six months' advance notice of the owner's intention to cease playing most of its home games" at Mapfre Stadium; and, (2) provide the City or "any individual or group of individuals" a reasonable "opportunity to purchase the team."

The Defendants' refusal to comply with their obligations by offering various answers as to when they possibly complied with R.C. 9.67, if they have at all, has created an untenable dilemma: It will take more than six (6) months to resolve the litigation, thereby resulting in the complete denial of the Plaintiff's rights. For this reason, it is essential that the Court toll the six (6) month time period contemplated in the statute.

As set forth below, doing so will preserve the integrity of Ohio's statutes, while preventing irreparable harm to the City, central Ohio community, and soccer fans throughout the State of Ohio.

# A. The doctrine of equitable tolling has been recognized by the United States Supreme Court and the Ohio Supreme Court since the late 1800s.

The courts of law and equity were merged by the creation of the civil rules. In that merger, however, Ohio civil courts retained their equitable powers. "Under Ohio law it is the *duty* of a court to grant plaintiffs the relief to which they are entitled under the evidence whether legal, equitable, or both, and if the court of appeals fails to grant such relief, the plaintiff's remedy is an appeal to the Supreme Court of Ohio." 41 Oh Jur. 3d, Equity, § 2 (emphasis added).

The "application of equitable doctrines is at the discretion of the trial court." *Downie-Gombach v. Laurie*, 2015-Ohio-3584, ¶ 43, 41 N.E.3d 858, 864 (8th Dist.). In fact, "[i]n equitable matters, the court has considerable discretion in attempting to fashion a fair and just remedy." *Winchell v. Burch*, 116 Ohio App. 3d 555, 561, 688 N.E.2d 1053, 1057 (11th Dist. 1996). *See also McDonald & Co. Secs v. Alzheimer's Disease & Related Disorders Ass'n*, 140 Ohio App. 3d 358, 366, 747 N.E.2d 843, 850 (1st Dist. 2000); *Allason v. Gailey*, 2010-Ohio-4952, ¶ 50, 189 Ohio App. 3d 491, 503, 939 N.E.2d 206, 215 (7th Dist.). The "application of equitable doctrines" is both "broad" and "not bound by formula . . . ." 41 Oh Jur. 3d, Equity, § 2.

The doctrine of equitable tolling is an example of such power, and has been well established in American jurisprudence for more than 140 years. This doctrine permits a court to employ its equitable powers to extend statutory and other deadlines "to prevent unjust results in

cases arising at law as well as at equity." *Jones v. TransOhio Sav. Ass'n*, 747 F.2d 1037, 1039 (6th Cir. 1984), citing *Bailey v. Glover*, 88 U.S. (21 Wall.) 342, 349 (1874).

For example, the United States Supreme Court employed the doctrine as early as 1874 in *Bailey v. Glover*, 88 U.S. (21 Wall.) 342, 349–50 (1874). Since *Bailey*, the United States Supreme Court has continued to look favorably upon this doctrine. *See, e.g., Exploration Co., Ltd. v. United States*, 247 U.S. 435 (1918); *Holmberg v. Armbrecht*, 327 U.S. 392, 396 (1946) ("Equity eschews mechanical rules; it depends on flexibility."); *Glus v. Brooklyn Eastern District Terminal*, 359 U.S. 231 (1959). In fact, the doctrine is so central to the federal system that it "is read into every federal statute of limitation." *Holmberg v. Armbrecht*, 327 U.S. 392, 397 (1946). Federal courts in the Sixth Circuit have applied it in the context of bankruptcy proceedings, statutes of limitations, analyses of non-compete provisions, and resolving oil and gas lease disputes.

<sup>&</sup>lt;sup>4</sup> Ohio bankruptcy courts have routinely used the doctrine to toll the deadline contained in Fed. R. Bankr. P. 4007(c). See e.g., First Bank Sys., N.A. v. Begue (In re Begue), 176 B.R. 801, 804 (Bankr. N.D. Ohio 1995) (holding that "[a]s such this statutory filing deadline [in B.R. 4007(c)] is subject to the defenses of waiver, estoppel, and equitable tolling."); see also Erie Ins. Co. v. Romano (In re Romano), 262 B.R. 429, 432 (Bankr. N.D. Ohio 2001) ("Equitable tolling will apply when a plaintiff, through no fault of its own and despite the exercise of due diligence, cannot determine information essential to bringing a complaint in a timely manner.").

<sup>&</sup>lt;sup>5</sup> See, e.g., Jones v. TransOhio Sav. Ass'n, 747 F.2d 1037, 1043 (6th Cir. 1984) ("[W]e hold that the statute of limitations for actions brought under 15 U.S.C. § 1640(e) is subject to equitable tolling in appropriate circumstances."); Smith v. Solis, 390 F. App'x 450, 454 (6th Cir. 2010) ("This injustice threatens the purposes of the Act's employee-protection provisions, and a grant of equitable tolling in Smith's case is consistent with effectuating them.").

<sup>&</sup>lt;sup>6</sup> See, e.g., MCS Acquisition Corp. v. Gilpin (In re Gilpin), No. 07-8031, 2008 Bankr. LEXIS 1977, at \*10 (B.A.P. 6th Cir. July 17, 2008) ("Accordingly, for purposes of this analysis, the injunction order extending the terms of the noncompetition agreement is deemed not to have terminated.").

<sup>&</sup>lt;sup>7</sup> See, e.g., See Chesapeake Exploration, L.L.C. v. McClain, S.D.Ohio No. 2:13-cv-0445, 2013 U.S. Dist. LEXIS 184700, at \*12 (July 30, 2013) (tolling expiration of lease in action brought by lessee); Wiley v. Triad Hunter LLC, S.D.Ohio No. 2:12-CV-00605, 2013 U.S. Dist. LEXIS 143058, at \*33 (Sep. 26, 2013).

Equitable tolling was first recognized by the Supreme Court of Ohio in 1893 in *Treasurer* v. Martin, 50 Ohio St. 197, 204, 33 N.E. 1112, 1114 (1893). Since then, Ohio courts routinely use principles of equity to toll statutory or contractual deadlines. Equitable tolling arises across a broad spectrum of Ohio cases, including covenants not to compete, statutes of limitation, and oil and gas lease disputes.

For example, in employment cases the Supreme Court of Ohio has utilized equitable principles to toll the temporal provisions in non-compete provisions in contracts. *See Rogers v. Runfola & Assoc., Inc.*, 57 Ohio St.3d 5, 565 N.E.2d 540 (1991) (enforcing 1-year non-compete period commencing "sixty days from the date of this order"). Relying on the Ohio Supreme Court's opinion in *Rogers*, the Tenth District held that "[t]he trial court is empowered to grant relief for a reasonable period of time sufficient to protect the employer's legitimate interests." *Ohio Urology, Inc. v. Poll*, 72 Ohio App. 3d 446, 454, 594 N.E.2d 1027, 1032-33 (1991). *See also Columbus Med. Equip. Co. v. Watters*, 13 Ohio App.3d 149, 152, 468 N.E.2d 343 (10th Dist. 1983) (determining that the plaintiff is entitled to an injunction prohibiting the defendant from working with the plaintiff's competitor even though the restrictive period had expired); *Signet Ventures v. Bates*, No. CV 2015-11-5445, 2016 Ohio Misc. LEXIS 11417, at \*3 (Ct. Com. Pl. Summit Cty. May 20, 2016) ("Finally, plaintiffs have argued that the start date of the non-compete should be tolled based upon the evidence of competitive activity. The court agrees and finds that the two-year term for the non-competition agreement commences after the last demonstrated evidence of competitive activity.").

Ohio courts also equitably toll statutes of limitations. The Supreme Court of Ohio tolls statutes of limitation in cases "where the wrongful act does not immediately result in injury or damage." *Harris v. Liston*, 1999-Ohio-159, 86 Ohio St. 3d 203, 205, 714 N.E.2d 377, 379. In

such cases, the court looks "to provide for a more equitable solution." *Id.* Likewise, the Supreme Court of Ohio has also used equitable principles to toll statues of limitations in several other contexts. *See, e.g., Melnyk v. Cleveland Clinic*, 32 Ohio St.2d 198, 201, 290 N.E.2d 916 (1972) (extending the statute of limitations in a medical malpractice action); *Skidmore & Hall v. Rottman*, 5 Ohio St. 3d 210, 211, 450 N.E.2d 684, 685 (1983) (extending the statute of limitations in a legal malpractice action); *Velotta v. Leo Petronzio Landscaping, Inc.*, 69 Ohio St. 2d 376, 379, 433 N.E.2d 147, 150 (1982) (extending four-year statute of limitations in a negligence action).

Equitable tolling has also been recognized in oil and gas leasing disputes to preserve the primary term of an oil and gas lease during the pendency of litigation challenging the validity of the lease. See Stahl v. Van Vleck, 53 Ohio St. 136, 150, 41 N.E. 35 (1895). In such cases, Ohio law permits a court to "preserve the status quo" and prevent a lease from expiring by its own terms during the pendency of the litigation. Summitcrest, Inc. v. Eric Petroleum Corp., 2016-Ohio-888, 60 N.E.3d 807, ¶ 44 (7th Dist.). A court may, therefore, "in fairness to the lessee, toll the running of the lease terms." Summitcrest at ¶ 46, quoting Jicarilla Apache Tribe v. Andrus, 687 F.2d 1324, 1341 (10th Cir. 1982). Accord Wiley v. Triad Hunter LLC, S.D.Ohio No. 2:12-CV-00605, 2013 U.S. Dist. LEXIS 143058, at \*33 (Sep. 26, 2013) (explaining that Ohio and other case law "favors equitable tolling of an existing oil and gas lease where the lessors have challenged the validity of the lease."). The doctrine is available even where a lessee initiates the litigation. See Chesapeake Exploration, L.L.C. v. McClain, S.D. Ohio No. 2:13-cv-0445, 2013 U.S. Dist. LEXIS 184700, at \*12 (July 30, 2013) (tolling expiration of lease in action brought by lessee).

Ohio oil and gas cases are also instructive as to the timing and standard applied to a motion to toll. Those cases say that it is well within the Court's equitable power to grant a motion to toll at the earliest stage in litigation. *Chesapeake Exploration*, at \*12 (granting lessee's motion to toll about 70 days after the complaint was filed and about five (5) weeks after the motion was initially filed).

Equally important, a party seeking tolling at a preliminary stage "need not prove its entire case" in the motion to toll as doing so "would effectively decide the merits of [the] lawsuit at a highly preliminary stage." *Id.* at \*11. Rather, the moving party need only show that the validity of the time period afforded to it is being challenged. *See id.* at \*11–12.

## B. Equitable balancing favors tolling.

The same principles of fairness and equity that demand tolling in oil and gas cases are also present in this case.

First, the City and/or interested local investors have a finite period of time under R.C. 9.67—six (6) months—to have an opportunity to purchase the Crew. The time period is set by statute, and based on the statements in the Precourt Letter, could expire long before this litigation is concluded, especially when appeals are taken into account. In other words, the Defendants have created a great deal of uncertainty regarding the notice date from which the six (6) month time period emerges. Such uncertainty creates unnecessary confusion as to how long local investors have to make their offers and engage in meaningful negotiations to purchase the team. This is especially true considering there are bona fide local investors interested in purchasing the team who have not had access (even confidentially) to the Defendants' financial records which are imperative to properly evaluate the value of the Crew.<sup>8</sup>

<sup>&</sup>lt;sup>8</sup> See Letter from Mayor of the City of Columbus, Andrew J. Ginther, dated April 6, 2018, and attached hereto as Exhibit B.

Second, the Crew is the beneficiary of a tax-supported facility as well as substantial financial assistance from the City of Columbus and the State of Ohio.

Third, R.C. 9.67 was in effect years before the Defendants received millions of dollars in tax support and financial incentives to build their stadium. Indeed, the Defendants are the direct beneficiaries of *years* of property-tax free operation of the Crew, with the tax savings going right to their bottom lines. The Defendants cannot now disavow their obligation to afford the City of Columbus and the State of Ohio their rights under the statute after knowingly accepting the benefits of public support for so many years.

Fourth, the citizens of the State of Ohio and the City of Columbus have every right to receive the benefits conferred upon them by statute and paid for through the tax dollars of every working person in this State and this City. Anything less threatens the rights conferred by statute, undermines the will of the sovereign people of Ohio, excuses the Defendants from complying with a statute in existence since 1996, and rewards the Defendants' inequitable behavior.

By contrast, equitably tolling the statute works no harm on the Defendants. Compliance with the statute is what they agreed to when they asked for millions of taxpayers' dollars in public support. What's more, the Defendants may *benefit substantially* from equitable tolling, since it may result in a sale of the Crew for more than is currently invested in the team. Ironically, the Defendants have everything to gain and nothing to lose from equitable tolling.

Equitable balancing favors tolling of the notice period set forth in R.C. 9.67.

#### IV. CONCLUSION

For the foregoing reasons, the Plaintiff respectfully requests that the Court issue an order tolling the six-month time period in R.C. 9.67 during which the Plaintiff (or a group of

individuals residing in central Ohio) must be provided with a reasonable "opportunity to purchase" the Columbus Crew SC soccer team until the central legal questions involving the statute have been fully resolved, either by agreement of the parties or until final resolution of this lawsuit, including any final appeals to the courts of highest authority.

Respectfully submitted,

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COUNSEL FOR THE CITY OF COLUMBUS

#### **CERTIFICATE OF SERVICE**

I hereby certify that a true and accurate copy of the foregoing document was served upon the following by regular U.S. Mail, postage prepaid, and by email, on the 9<sup>th</sup> day of April 2018:

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/s/ Drew H. Campbell
Drew H. Campbell (0047197)

# **EXHIBIT A**

Andrew Ginther
Mayor, City of Columbus
90 West Broad Street
Columbus, OH 43215

#### Dear Mayor Ginther:

Precourt Sports Ventures LLC, Team Columbus Soccer, L.L.C., and Crew Soccer Stadium Limited Liability Company (collectively, the "PSV Entities") and Major League Soccer, L.L.C. ("MLS") were recently served with process for a lawsuit filed by the City of Columbus and the State of Ohio styled State ex rel. DeWine v. Precourt Sports Ventures LLC, No. 18CV001864 (Ct. C.P. Franklin Cnty., Ohio filed Mar. 5, 2018) (the "Complaint"). The Complaint purports to ask the Franklin County Common Pleas Court to order the PSV Entities and MLS to comply with Ohio Revised Code Section 9.67.

The PSV Entities and MLS do not believe that ORC 9.67 applies to them and expressly reserve all rights and defenses with respect to that position. That said, even if ORC 9.67 were to apply, the facts are that (i) the City of Columbus has had notice for some time that Columbus Crew SC may cease playing most of its home games at MAPFRE Stadium, and (ii) individuals who reside in the area have had the opportunity to take steps to seek to purchase the PSV Entities' interests in the team.

Among other things, an announcement was made on October 17, 2017 that the PSV Entities would pursue the possible relocation of Crew SC. On November 15, 2017, representatives of the PSV Entities and MLS met with you and Columbus Partnership CEO Alex Fischer to discuss the possibility of relocation and steps that could be taken to improve Crew SC's long-term ability to operate and compete in Columbus given the potential of relocation. Indeed, the Complaint itself alleges that "Mr. Precourt announced his intention to move the Crew from Columbus" given current facts (Compl. ¶ 2) and that "with each passing day it appears more likely than not that PSV and MLS will move the Crew . . . ." (Id. ¶ 35). Under these circumstances, the City of Columbus has certainly had notice (to the extent required) by no later than November 15, 2017 (if not sooner).

For the avoidance of any doubt, the PSV Entities and MLS, again reserving the right to assert and pursue any or all of their rights and defenses, reaffirm that, even if ORC 9.67 were to apply in this instance, notice of Crew SC's intent under ORC 9.67 has been given. To the extent such notice is deemed not to have already been given, this letter shall constitute such notice. Again, while the PSV Entities and MLS do not believe that ORC 9.67 applies, if any individual or group of individuals are interested in purchasing the rights to operate Crew SC, or Precourt Sports Ventures LLC's interest in Team Columbus Soccer, L.L.C., then such individual(s) should contact any of the undersigned and provide the terms of any such offer and demonstrate their bona fides as a prospective operator of an MLS club.

This letter is not intended to, and does not, create any new contractual or statutory obligation upon the PSV Entities and/or MLS.

Very Truly Yours,
Precourt Sports Ventures LLC
120
By:
Name: J. Anthony Precourt
Its: Chief Executive Officer
Team Columbus Soccer, L.L.C.
400
By:
Name: J. Anthony Precourt
Its: Manager
Crew Soccer Stadium Limited Liability Company
By: AARL
Name: J. Anthony Precourt
Its: Manager
Major League Soccer, L.L.C.
By:
Name: William Z. Ordower
Its: General Counsel

ce: Franklin County Board of Commissioners 373 S. High Street, 26th Floor Columbus, OH 43215

# **EXHIBIT B**



#### OFFICE OF THE MAYOR

April 6, 2018

J. Anthony Precourt c/o Dan L. Cvetanovich Bailey Cavalieri 10 W. Broad Street, Suite 2100 Columbus, OH 43215

Dear Mr. Precourt:

This communication is in response to a letter received by my office, dated March 16, 2018, and signed by you and the general counsel for Major League Soccer (MLS). Your letter was in reference to Ohio Revised Code Section 9.67 and the lawsuit recently filed against you by the City of Columbus and the State of Ohio.

Despite arguments made in your letter, the City believes ORC 9.67 applies to "PSV Entities" and MLS. The City also rejects any contention that we have received notice that the Columbus Crew SC will cease playing most of its home games at MAPFRE Stadium. These points notwithstanding, and while we reserve any and all rights and remedies available to us through litigation, we remain open to constructive conversation to keep the Crew SC in Columbus.

Columbus Partnership CEO Alex Fischer has been in contact with prospective purchasers who have the necessary bona fides to operate an MLS franchise and are able to make a reasonable offer to purchase the team. In addition, Mr. Fischer has identified multiple potential downtown stadium locations that may be suitable for a new soccer stadium. However, the ability to pursue these efforts requires access to information held by PSV Entities and MLS.

We respectfully request that you make arrangements for Mr. Fischer and any and all prospective buyers to inspect the financial records of the PSV Entities and MLS as necessary. We look forward to the prospective purchasers providing you a concrete offer(s) once they are able to complete a thorough valuation of the team.

Again, this letter does not in any way waive any right or remedy available to the City in the Franklin County Court of Common Pleas. Further, we request that any communication specific to the lawsuit filed against you be directed to legal counsel for the City, the Columbus City Attorney and the Ohio Attorney General.

We remain committed to constructive conversations with you and representatives of MLS, and appreciate your continued willingness to consider offers to sell the team and keep Columbus Crew SC in Columbus.

Sincerely,

c:

Andrew J. Ginther, Mayor

City of Combus

Major League Soccer, LLC, c/o Marc J. Kessler, CEO & Managing Partner, Hahn Loeser Mike DeWine, Ohio Attorney General

